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SUBJECT: Vietnam Shelves Local Elections for Other Local Government
Reforms

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11. (SBU) SUMMARY: Although a long-stated goal of the Communist Party of Vietnam is to move toward direct election of local officials, the National Assembly and the Politburo have decided to shelve this goal indefinitely in favor of other changes designed to streamline local government. These new efforts would strengthen local executive bodies and eliminate the legislative branch of local government, People's Councils, while also combining the position of local Communist Party Chairman with that of People's Committee Chairman. This restructuring is currently being enacted as a pilot program in selected localities. Significant hurdles remain before the program could be put into place nationwide. If implemented fully, the moves would eliminate Vietnam's only local-level direct elections, further centralize and strengthen the power of People's Committee Chairmen and the Communist Party at all levels and give provincial officials greater authority over localities under their purview, while moving away from direct democracy at the local level.

12. (SBU) COMMENT: These pilot programs may be designed to make local administration more efficient, but we hesitate to call them reform. While hardly free or fair, the election of People's Councils did inject at least some degree of popular participation and accountability into an otherwise opaque process and their elimination is a step backward. The decision by the Politburo and the National Assembly to put off direct elections of local executives is similarly disappointing. Absent any significant local check on their authority, combining the roles of Party and People's Committee Chairman could actually make Vietnam's endemic corruption worse at the local level. END SUMMARY AND COMMENT.

Role of People's Councils and People's Committees

13. (SBU) People's Committees and People's Councils are mandated under the 1992 Constitution in all provinces and provincial-level cities, as well as in a host of lower-level jurisdictions, including districts, cities, towns, communes, and wards. People's Councils are the "legislative body," while People's Committees serve an executive function. People's Council members are currently "elected" to serve five-year terms and are responsible for resolving administrative disputes, approving budgets, and debating economic development plans. The People's Councils choose the Chairman of the People's Committee. The Chairmen of the People's Committee and the People's Council together serve as Vice Chairmen of the Communist Party for their jurisdiction.

Eliminating People's Councils

14. (SBU) In an effort to streamline local government, the National Assembly last fall approved a pilot project that would abolish People's Councils at the district level. Originally, this

legislation was scheduled to move forward jointly with legislation that would also allow for the direct election of People's Committee Chairman at the village or commune level. In the end, however, the National Assembly decided to move forward with scrapping local People's Councils while deferring consideration of direct local elections. On February 3, the Assembly's Standing Committee named the first ten cities and provinces that will abolish local People's Councils. The first stage of the program, which begins in April, includes 99 districts and wards and 483 communes in Hai Phong, Da Nang and Ho Chi Minh cities as well as provinces in northern Lao Cai, Vinh Phuc and Nam Dinh; the central Quang Tri and Phu Yen provinces; and southern Kien Giang and Ba Ria-Vung Tau provinces.

15. (SBU) Officials from the Local Government Department of the Ministry of Home Affairs (MHA) told Poloff that these provinces and cities had all volunteered to participate in the project; in fact, many more localities volunteered than had been expected. The officials explained that there were two main reasons why provincial Party leadership would find the restructuring attractive: 1) eliminating the People's Councils would free up funds, and 2) provincial officials would enjoy more direct influence at the local level. As a result, the National Assembly Standing Committee agreed to expand the program below the district level to a large number of communes as well. MHA Officials noted that if the program proves as useful as hoped, the end goal would be to eliminate People's Councils entirely.

16. (SBU) MHA Officials admitted that the pilot project would have to be implemented quickly in order to allow the government to evaluate its effectiveness and determine whether the program should be implemented nationwide as the next round of People's Councils "elections" are scheduled to take place in 2011. Expanding the pilot program nationwide would also require a Constitutional amendment, they explained, because the Constitution mandates the establishment of People's Councils and stipulates that that the Councils are responsible for choosing local People's Committee

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Chairmen. Similarly, local officials in Lang Son province and Danang city informed the DCM that even if the GVN went forward with direct elections of commune level People's Committee Chairmen it would also require a change to the constitution due to the fact that the constitution stipulates that People's Councils shall choose People's Committee Chairmen.

Double-Hatting; Direct Elections on Hold Indefinitely

17. (SBU) The second, equally significant, change would be to combine the roles of local People's Committee Chairman and Communist Party Chairman. As Nguyen Chi Dzong, senior lecturer at the National Assembly's Training Center, explained to Poloff, the restructuring had already been approved by the Politburo. Asked whether this would mean that local Party Chairmen would eventually be elected -- since the Party had earlier stated its intent to allow direct elections of People's Committee Chairman at the village or commune level -- MHA officials acknowledged that plans for direct elections had been put on hold indefinitely.

Who Wins: Local (Unaccountable) Bosses

18. (SBU) The big winners are, naturally, the local People's Committee Chairmen who have long sought more power to implement plans for their localities but who often lack authority to make simple budgetary and personnel decisions. Not only will they no longer have a People's Council to contend with, as Party Chair, they will be the unambiguous voice of the CPV. In a meeting with Emboffs on February 4, the Chairman of the People's Committee of Nam Dinh not surprisingly waxed enthusiastic about the pilot program, saying that it was a "great honor" to have been chosen. The other likely winners, presumably, are provincial-level Party bosses, who now will have to contend with fewer lower-level players. Administration will, at least in theory, be more directly hierarchical, as -- crucially -- will be promotions. But while more efficient on paper, the new structure may not be any better at controlling

Vietnam's endemic local-level corruption. Under the new system, accountability will be focused upward, toward one's superiors in the Party, not outward toward one's constituency.

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